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FOR- SALE MISSING MIDDLE SINGLE FAMILY HOME DEVLOPMENT AT SEBASTOPOL

PROJECT DESCRIPTION
December 18th 2025,
Updated March 3rd 2026

PROJECT OVERVIEW

Grupe Investment Company Inc. (Grupe) is pleased to submit this application regarding a site redevelopment opportunity located at 8100 Valentine Ave, in Sebastopol California.

Since 1966 Grupe, based in Stockton, California (www.Grupe.com), is one of Californias most prolific developers, having developed many master-planned communities across the entire United States. In addition, Grupe is also known to be a best-in-class home builder and apartment developer.

This project is envisioned as a 20-lot, 39-home single-family residential subdivision to be developed on the Church of Latter-day Saints property located at 8100 Valentine Avenue (the "Project"). The Project is designed to provide residents of Sebastopol with a much-needed alternative to traditional, high-cost for-sale housing options.

Over the past five years, Sebastopol has experienced a severely limited supply of newly constructed for-sale homes, while the existing housing stock has seen steadily increasing prices. These pricing trends have become increasingly misaligned with the area's median household income, creating significant affordability challenges for many prospective buyers.

The Project seeks to directly address these issues by delivering attainable homeownership opportunities with a primary focus on the "missing middle" segment of the housing market, all **without the use of public subsidies**. By prioritizing thoughtful design and cost efficiency, the community will offer a lower-priced ownership option accessible to a broad range of residents, including young professionals, families, teachers, first responders, and empty nesters.

In addition to affordability, the Project has been carefully planned to foster a strong sense of community. Generous open spaces and shared areas are intentionally integrated into the site design to encourage resident interaction, engagement, and long-term neighborhood connectivity.

FOR- SALE MISSING MIDDLE SINGLE FAMILY HOME DEVLOPMENT AT SEBASTOPOL

PROJECT DESCRIPTION
December 18th 2025,
Updated March 3rd 2026

BACKGROUND

Over the past 12 to 18 months, Grupe has been developing a new housing product line aligned with one of the company's core, mission-driven objectives: expanding attainable homeownership opportunities for the "missing middle" without reliance on public subsidies. This initiative has been made possible in part by leveraging recent state legislation (AB1033) and regulatory reforms that encourage the development and separate sale of accessory dwelling units (ADUs).

By reverse-engineering our site selection process to focus on municipalities that actively promote ADU construction and are experiencing affordability challenges for missing-middle households, Grupe was able to create a more efficient and streamlined underwriting approach. The City of Sebastopol emerged as a strong candidate under these criteria, and the timing aligned favorably when the subject property became available for redevelopment.

The site is currently owned by The Church of Jesus Christ of Latter-day Saints (LDS) and includes an existing religious facility that ceased operations approximately 18 months ago in preparation for the sale of the property. In the first quarter of 2025, the Church initiated a process to identify a qualified residential builder to acquire and redevelop the site. Based on Grupe's development experience and longstanding relationship with the LDS Church, Grupe was selected as the purchaser of the property.

General Site Details

The proposed project (final project name to be determined) is located at 8100 Valentine Avenue in Sebastopol, California (APN 008-510-054). The site consists of an approximately 2.96-acre parcel currently zoned R-4 (Medium-Density Residential), which allows a maximum density of 8.7 dwelling units per acre.

In its simplest form, the Project is planned as a 20-lot, single-family, for-sale residential community. In alignment with recent state legislation that promotes the construction and separate sale of accessory dwelling units (ADUs), 19 of the 20 lots will include a fully detached ADU located on the same parcel. This approach enables the Project to deliver a total of 39 homes across 20 individual lots, while remaining fully compliant with local zoning and state housing laws (further detail on the applicable regulations is provided below).

FOR- SALE MISSING MIDDLE SINGLE FAMILY HOME DEVLOPMENT AT SEBASTOPOL

PROJECT DESCRIPTION
December 18th 2025,
Updated March 3rd 2026

The primary residences will be delivered in two floor plan sizes: twelve homes at approximately 1,640 square feet and eight homes at approximately 1,422 square feet. The detached ADUs will also be offered in two configurations, consisting of eight units at approximately 1,000 square feet and eleven units at approximately 748 square feet. With a density of approximately 6.76 lots per acre, the Project complies with the allowable density under the R-4 zoning designation. All inclusionary zoning requirements will be satisfied based solely on the primary dwelling units. The project is selecting 15% (3 units) of the units be inclusionary, affordable to households earning 120% or less of AMI.

Due to the unique design and layout of the community, the Project does not include attached garages within individual homes. Instead, parking is designed in a garden-style configuration, similar to a multifamily residential setting. The Project will provide a total of 83 parking stalls, resulting in an overall parking ratio of 2.13 spaces per home. Of these, 55 stalls (a ratio of 1.41) will be covered carport spaces. Additionally, the Project will provide one electric vehicle (EV) capable charging outlet location per home, located within the covered parking areas.

Through thoughtful site planning, the Project is able to offer both private and shared outdoor spaces. Each primary home will include a private backyard owned and maintained by the individual homeowner. In addition, the community will feature approximately 6,500 square feet of common open space designed to encourage resident interaction and gathering. These amenities include a redwood tree grove, dog park, large central green, and one designated community expression area distributed throughout the site.

To preserve the long-term quality, appearance, and functionality of the community, the Project will be developed as a private residential neighborhood governed by a homeowners association (HOA). The HOA will be responsible for the maintenance of common amenities, private streets and utilities, front yards and paseos, and the enforcement of the community's Covenants, Conditions, and Restrictions (CC&Rs).

A final distinguishing feature of the Project's design is the elimination of individual trash collection totes. Instead, a centralized trash enclosure will be provided for resident use, allowing for consolidated waste disposal and preventing the visual clutter commonly associated with individual trash bins throughout the community.

FOR- SALE MISSING MIDDLE SINGLE FAMILY HOME DEVLOPMENT AT SEBASTOPOL

PROJECT DESCRIPTION
December 18th 2025,
Updated March 3rd 2026

SPECIFIC SITE DETAILS:

VEHICLE ACCESS, PARKING, CHARGING, AND SECONDARY EVACUATION ROUTE

Vehicular access to the Project will be provided through a single, clearly marked private entrance from Valentine Avenue, featuring project signage and accommodating full access movements, including left-in, left-out, right-in, and right-out. Upon entering the community, residents will have access to three distinct parking options: (1) conventional surface parking, (2) covered parking within carport structures, and (3) covered carport parking equipped with electric vehicle (EV) capable charging outlet locations.

Given the absence of attached garages in this product type, the parking strategy was intentionally designed to offer functional alternatives while ensuring that covered parking remains conveniently located near each residence throughout the site.

The Project will provide a total of 83 on-site parking spaces for future residents. This equates to a parking ratio of approximately 4.15 spaces per primary home (excluding on-street parking along Valentine Avenue) and approximately 2.13 spaces per home when including the accessory dwelling units. In addition, as part of the Project's forward-thinking and resident-focused design, each homeowner will be provided with at least one assigned covered parking space—totaling 39 assigned spaces—each equipped with an individual EV capable charging outlet location. Any remaining covered parking spaces will be made available to residents on a first-come, first-served basis.

Lastly, in response to community concerns and ongoing discussions with the local fire department, the project now includes a secondary emergency evacuation route along the western corridor. This route connects the end of the project's street to Valentine Avenue. The evacuation route will be provided through an intentional 12-foot-wide, unobstructed, drivable landscaped surface that can be used during emergency situations to allow residents to safely exit the community. The homeowner's association will maintain this 12-foot evacuation route to ensure it remains clear and that homeowner improvements do not obstruct its use during an emergency.

UTILITY INFRASTRUCTURE:

The Project site, which is currently developed with a religious facility, is located within a medium-density residential zoning district and is surrounded by an established, mature neighborhood. As a result, all major utility infrastructure is already available on or adjacent to the site. A detailed description of each utility service is provided below.

FOR- SALE MISSING MIDDLE SINGLE FAMILY HOME DEVLOPMENT AT SEBASTOPOL

PROJECT DESCRIPTION
December 18th 2025,
Updated March 3rd 2026

Storm Drainage

An existing 12-inch municipal storm drain pipeline runs in a north–south direction along the eastern property line. This facility currently serves both the Project site in its existing condition and the surrounding neighborhood to the north, conveying stormwater south toward Valentine Avenue and into the City's broader storm drainage system.

Because the site has historically discharged stormwater into this system and was originally designed with this infrastructure in place, the Project will utilize the existing storm drain pipeline and its available capacity. Notably, the proposed development will reduce total impervious surface area from approximately 85,000 square feet under existing conditions to approximately 66,000 square feet, thereby creating additional capacity within the City's stormwater system.

The Project will be constructed in full compliance with current building codes and applicable water quality regulations. Stormwater treatment will be provided through two shallow water-quality basins located on-site: one at the bend in the private street and another along the Project's Valentine Avenue frontage. These facilities will collect and treat site-generated runoff prior to discharge into the existing 12-inch storm drain within the established utility easement.

Water

As the Project will be developed as a private community governed by a homeowners association (HOA), a private water distribution system is proposed. The system will connect to the existing 6-inch municipal water main located within Valentine Avenue. A single primary connection will serve a dedicated 6-inch fire service line supplying three on-site fire hydrants.

Branching from this connection, a separate private domestic water system will be served by a master 3-inch meter. This system will provide water service to all residential units and will be owned, operated, and maintained by the HOA (refer to the utility plan for additional details). Each individual residence will be connected to the private water main via shared/grouped service laterals and will be equipped with a private submeter. Water usage will be monitored and billed to homeowners through monthly HOA assessments.

FOR- SALE MISSING MIDDLE SINGLE FAMILY HOME DEVLOPMENT AT SEBASTOPOL

PROJECT DESCRIPTION
December 18th 2025,
Updated March 3rd 2026

Sewer

A 6-inch municipal sanitary sewer line runs north–south along the eastern property line, parallel to the existing storm drain pipeline. This sewer line currently serves both the surrounding neighborhood and the Project site in its existing condition. The proposed development will utilize this existing sewer infrastructure to serve all residential units.

The Project will include a private on-site sewer collection system consisting of multiple shared/grouped service laterals that connect both the primary residences and the accessory dwelling units to the municipal sewer main. (refer to the utility plan for additional details)

Dry Utilities

Dry utilities, including electrical, telecommunications, and related services, will be provided utilizing existing infrastructure along the Valentine Avenue frontage. Additional dry utility facilities will be located within the existing 25-foot utility easement along the eastern boundary of the site to support the proposed development.

Solid Waste

The Project will incorporate a centralized trash enclosure to serve all residents, eliminating the need for individual trash totes placed along internal streets. Solid waste service will be provided under a single contract managed by the HOA, with costs allocated to homeowners through monthly HOA dues. This approach supports a cleaner streetscape and more efficient waste management for the community. The projects preliminary trash enclosure design and trash truck turn around location has been reviewed and approved by the local trash service provider.

ARCHITECTURE:

In developing the architectural character of the Project, careful consideration was given to understanding the values and preferences of homeowners in Sebastopol when selecting a community in which to live. A central principle guiding the design approach is diversity—diversity in scale, form, architectural expression, materials, and visual character. This emphasis is intended to create a rich and varied neighborhood environment that feels organic, authentic, and reflective of the broader community fabric.

FOR- SALE MISSING MIDDLE SINGLE FAMILY HOME DEVLOPMENT AT SEBASTOPOL

PROJECT DESCRIPTION
December 18th 2025,
Updated March 3rd 2026

To achieve this objective, the Project incorporates a diverse mix of residential product types and architectural styles. Specifically, the community will include four distinct floor plan options: a 1,640-square-foot two-story primary residence, a 1,422-square-foot two-story primary residence, a 1,000-square-foot single-story accessory dwelling unit (ADU), and a 749-square-foot single-story ADU. Within these plans, three architectural design styles—Craftsman, Ranch, and Contemporary—are offered, along with six curated exterior color palettes (refer to the design package for additional details).

This level of variation ensures that no two homes or locations within the community will appear identical, avoiding visual repetition and enhancing the overall sense of place. In addition, deliberate attention was given to the placement and distribution of each unit type throughout the site to promote variation in building massing and streetscape rhythm. The pairing of single-story ADUs with two-story primary residences naturally creates a layered and articulated architectural composition across the site, contributing to a dynamic and visually engaging neighborhood that balances scale, proportion, and cohesiveness.

LANDSCAPE AND AMENITIES:

The overall landscape concept for the Project is centered on creating a cohesive and thoughtfully designed outdoor environment that delivers high-quality landscaped spaces and meaningful amenities for residents and their guests. In developing this approach, careful attention was given to the existing character of the surrounding neighborhood, which is best described as a California Mediterranean–inspired landscape aesthetic. The proposed planting palette and landscape layout are designed to complement the established neighborhood context while incorporating low-maintenance strategies and modern water-conservation practices consistent with current sustainability standards.

A defining feature of the landscape design is the intentional and balanced integration of the site's existing mature redwood trees with new plantings. This approach allows the established natural elements of the site to blend seamlessly with the proposed development, creating a harmonious relationship between old and new. The result is a landscape that both respects the surrounding neighborhood and establishes a distinctive identity for the Project as a new residential community.

Given the Project's design and increased residential density, the creation of shared outdoor amenities that foster a sense of community was a key priority in the site planning process. To support this objective, the Project includes four distinct and usable

common amenity spaces, each designed to serve a specific function and enhance the overall residential experience:

Central Green:
The Central Green is designed as a flexible, multi-purpose open space that encourages resident creativity and engagement. This area can accommodate a wide range of activities, including informal gatherings, community events, recreational play, or passive relaxation, allowing residents to shape the space based on their individual and collective interests.

Redwood Tree Grove:
Located in the northeast corner of the site, the Redwood Tree Grove is envisioned as a tranquil retreat that celebrates the site's mature redwood trees. This amenity provides a quiet, contemplative environment where residents can enjoy the natural beauty, shade, and serenity offered by the existing landscape.

Dog Park:
The Dog Park is situated near the bioretention area at the bend of the internal street and is specifically designed to serve the needs of pet-owning residents. This dedicated space allows dogs to run, play, and exercise in a safe and open environment, while helping to keep pet-related activities contained and compatible with other community uses. Its location ensures that the Central Green can be preserved for broader community activities when in use.

Community Expression Area:
Adjacent to the Central Green, the Community Expression Area is intended to be a flexible and evolving space shaped by the residents themselves. Once the homeowners association (HOA) is established and the community is fully occupied, residents will collectively determine the final use of this area. Potential uses may include a community garden, children's play area, outdoor fitness space, or other resident-driven amenities. Reflective of Sebastopol's creative and expressive culture, this space is designed to empower residents to personalize their community while maintaining a cohesive and long-term landscape vision.

PROJECT CHALLENGES AND CONSTRAINTS:

The current Project design—including the configuration of residential units, community amenity areas, parking facilities, and private utility systems—is the result of several months of detailed analysis and coordination by the development team. As is common

with many infill development sites within the City, the property is subject to multiple infrastructure-related constraints, including utility easements that influenced the overall site planning and layout.

Specifically, the eastern 25 feet of the site, extending in a north–south direction, is encumbered by a utility easement dedicated to storm drain and sanitary sewer conveyance. This condition presented a unique design challenge, as permanent structures are generally restricted from being constructed over utility infrastructure. In response, the Project team carefully integrated the easement area into the overall site plan by utilizing it for the primary entry roadway, parking areas, and expanded private backyard spaces for select residences. This approach allows the easement to remain fully functional while contributing positively to the Project's circulation, open space, and livability.

Another notable site constraint—which ultimately became a significant design asset—was the preservation of existing mature redwood trees. In addition to complying with the City's tree ordinance, which encourages the protection of heritage trees, the Project team intentionally sought to retain these mature trees as a defining feature and amenity of the community. Through thoughtful planning and site adjustments, the Project will preserve 11 of the 18 heritage trees that would otherwise qualify for a tree removal permit under the City's permitting process, reinforcing the Project's commitment to environmental stewardship and neighborhood character.

At the time of this updated project description, the applicant understands that the City approved enabling language consistent with the intent of AB 1033 on February 19, 2026, allowing for the separate sale of Accessory Dwelling Units (ADUs). This approval makes the proposed project feasible. Without this provision, the separate sale of ADUs would not be permitted and the project would likely be infeasible. While this removes a significant barrier to the project's viability, the project must still proceed through the standard approval process. However, it includes an additional layer of complexity beyond a typical subdivision. Under AB 1033, the separate sale of ADUs would be implemented through a site condominium plan recorded on each lot. The project proposes the creation of 20 lots through approval of the Vesting Tentative Map (VTM). The site condominium plan cannot be recorded until construction is complete and a Certificate of Occupancy has been issued for the ADU on each lot. Only after this milestone can the condominium units be legally created and sold separately. This sequencing requirement introduces additional complexity to the project's construction schedule and sales strategy.

FOR- SALE MISSING MIDDLE SINGLE FAMILY HOME DEVLOPMENT AT SEBASTOPOL

PROJECT DESCRIPTION
December 18th 2025,
Updated March 3rd 2026

Entitlement Requests/Applications:

1) **SB330 Application:**
    a. This project is intended to be an SB330 application and thus a preliminary application is being submitted due to compliance with the Senate Bills requirements. A full application is also being submitted at the same time.

2) **Tentative Map Application:**
    a. All supporting materials is attached to this project description.

3) **Design Review Application:**
    a. All supporting material is attached to this project description
    b. This project description takes the place of the written statement within the checklist

4) **State Density Bonus Application:**
    1) Application attached in the entitlement package
    2) Site:
        a) 8100 Valentine Ave, Sebastopol California 95472
        b) 2.96 acres
        c) Zoned R4, allowing 8.7 lots per acre. The projects density and base density is 6.76 lots per acre (20 lots/2.96 acres).
    3) Eligibility:
        a) 17 market rate units in the base project
        b) 3 Affordable units (15% of total lot count to households earning 120% or less of AMI) The 15% is the percentage requirement for compliance with option A1 under section 17.250.050 of The City of Sebastopol's Inclusionary requirements
        c) The length of deed restriction shall be in perpetuity.

    4) Requested Density Bonus:
        a) The project will not be requesting any additional bonus units. The projects density will be the same as listed in section 2 of the sate density bonus application section above.

    5) Concessions/Incentives:
        a) The applicant is reserving the right to determine at a later time, how to use the concessions granted to them under state density bonus law. The waivers of development standards to be applied to the project (as of now)are as follows:
            i) Minimum lot area (for all lot locations)

ii) Minimum lot width (for all lot locations)
iii) Building height (for all building plans)
iv) Minimum yard set backs (for all categories within this section)
v) Maximum lot coverage

b) This section is related to the concession rather than the development standards and can be provided later if applicable
c) State density bonus law for 15% of the project being affordable allows for a 10% density bonus (which the project is not using its bonus units)allows for 1 concession and unlimited development waivers for the moderate category.

5) Tree Removal Permit

1) Application and details attached to this project description
2) Tree replacement requirements will be addressed during construction drawings.